FRANKLIN TEMPLETON

Franklin Utilities Fund

Advisor Class: FRUAX Class A: FKUQX Class C: FRUSX Class R: FRURX Class R6: FUFRX | **Sector** | Factsheet as of September 30, 2026

Investment Overview

The fund seeks capital appreciation and current income by investing predominantly in the securities of public utility companies, with a focus on companies operating in the U.S. electricity and gas sectors.

Average Annual Total Returns (%)

	Without Sales Charges					With Sales Charges					Inception
	1-Yr	3-Yr	5-Yr	10-Yr	Inception	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Date
Advisor Class	-4.84	15.33	9.21	8.70	9.78	-4.84	15.33	9.21	8.70	9.78	9/30/1948
Class A	-5.07	15.05	8.94	8.45	9.67	-8.63	13.59	8.11	8.03	9.62	9/30/1948
Class C	-5.46	14.58	8.50	8.00	8.64	-6.33	14.58	8.50	8.00	8.64	5/1/1995
Class R	-5.30	14.76	8.67	8.17	8.69	-5.30	14.76	8.67	8.17	8.69	9/30/1948
Class R6	-4.78	15.40	9.28	8.78	10.10	-4.78	15.40	9.28	8.78	10.10	9/30/1948
Benchmark 1	-6.97	13.62	7.57	8.34	—	-6.97	13.62	7.57	8.34	—	—
Benchmark 2	15.74	22.88	13.79	15.33	—	15.74	22.88	13.79	15.33	—	—

Cumulative Total Returns (% Without Sales Charge)

	3-Mo	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Advisor Class	-12.50	-3.81	15.30	27.80	-4.69	1.81	18.19	-1.79	26.93	2.89	10.76	17.96
Class A	-12.54	-3.96	15.02	27.43	-4.93	1.58	17.86	-2.00	26.62	2.67	10.56	17.77
Class C	-12.62	-4.24	14.54	26.97	-5.30	1.13	17.44	-2.41	26.16	2.19	10.02	17.13
Class R	-12.59	-4.13	14.73	27.09	-5.15	1.33	17.53	-2.21	26.30	2.35	10.23	17.36
Class R6	-12.45	-3.72	15.37	27.82	-4.61	1.88	18.16	-1.66	27.10	2.92	10.88	18.09
Benchmark 1	-12.39	-5.65	16.04	23.43	-7.08	1.57	17.67	0.48	26.35	4.11	12.11	16.29
Benchmark 2	2.30	12.75	17.88	25.02	26.29	-18.11	28.71	18.40	31.49	-4.38	21.83	11.96

Performance data quoted represents past performance, which does not guarantee future results. *Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed, may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. Returns with sales charge reflect a deduction of the stated maximum sales charge. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. Returns for periods of less than one year are not annualized. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please visit franklintempleton.com.*

The fund began offering Advisor Class shares on 12/31/1996, the fund began offering R Class shares on 1/2/2002, the fund began offering R6 Class shares on 5/1/2013, and the fund began offering A Class shares on 9/10/2018. Performance quotations have been calculated as follows: (a) for Advisor Class periods prior to 12/31/1996, a restated figure is used based on the fund's Class A1 performance; for R Class periods prior to 1/2/2002, a restated figure is used based on the fund's Class A1 performance; for R6 Class periods prior to 5/1/2013, a restated figure is used based on the fund's Class Advisor performance; for A Class periods prior to 9/10/2018, a restated figure is used based on the fund's Class A1 performance. The performance was adjusted to take into account differences in class-specific operating expenses and maximum sales charges. (b) For periods after share class offering, performance for the specific share class is used, reflecting the expenses and maximum sales charges applicable to that class.

Share Class Details

			Sales Charges (%)		Expenses (%)	
	CUSIP	Ticker	Max	CDSC	Gross	Net
Advisor Class	353496854	FRUAX	0.00	—	0.55	0.55
Class A	353496474	FKUQX	3.75	—	0.80	0.80
Class C	353496706	FRUSX	0.00	1.00	1.20	1.20
Class R	353496698	FRURX	0.00	—	1.05	1.05
Class R6	353496615	FUFRX	0.00	—	0.51	0.50

Gross expenses are the fund's total annual operating expenses as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 01/31/2027 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice. There is a 1% CDSC on any Class C shares you sell within 12 months of purchase.

Morningstar Rating™

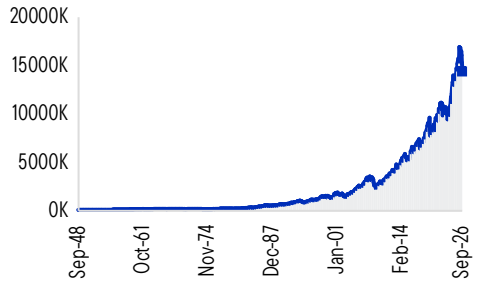
Overall Rating as of September 30, 2026

★★★★ Advisor Class

As of 09/30/2026 the fund's Advisor Class shares received a 4 star overall Morningstar rating™, measuring risk-adjusted returns against 53, 49 and 44 Utilities funds over the 3-, 5- and 10- year periods, respectively. A fund's overall rating is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) rating metrics. The number of funds in the category for the Overall Rating are listed under the 3-year period.

Growth of $10,000

Advisor Class Shares—Inception through September 30, 2026
Excluding Effects of Sales Charges



Fund Overview

Dividend Frequency, if any	Quarterly
Morningstar Category	Utilities
Lipper Classification	Utility Funds
Turnover (fiscal yr)	11%

Benchmark(s)

1—S&P 500 Utilities Index
2—S&P 500 Index

Fund Characteristics

	Fund
Total Net Assets	$6.59 Billion
Number of Issuers	42
Average Market Cap (Millions USD)	$50,650
Price to Book	1.98x
Price to Earnings (12-Month Trailing)	18.64x

Risk Statistics (3-Year—Advisor Class vs. S&P 500 Utilities Index)

	Fund	Benchmark 1
Beta	0.93	—
R-Squared	0.97	—
Sharpe Ratio	0.77	0.62
Standard Deviation (%)	14.11	14.90
Alpha (%)	2.06	—
Information Ratio	0.62	—
Tracking Error (%)	2.74	—

Top Equity Issuers (% of Total)

	Fund
NEXTERA ENERGY INC	9.42
ENTERGY CORP	6.44
SEMPRA	4.71
EVERGY INC	4.52
DUKE ENERGY CORP	4.41
SOUTHERN CO/THE	4.40
VISTRA CORP	3.99
PPL CORP	3.94
CONSTELLATION ENERGY CORP	3.76
PG&E CORP	3.73

Sector Allocation (% of Total)

	Fund	Benchmark 1
Electric Utilities	59.74	61.68
Multi-Utilities	28.05	29.73
Independent Power Producers & Energy Traders	3.99	4.38
Oil & Gas Storage & Transportation	2.58	0.00
Water Utilities	2.15	2.08
Renewable Electricity	2.00	0.00
Gas Utilities	0.99	2.14
Oil & Gas Equipment & Services	0.23	0.00
Cash & Cash Equivalents	0.27	0.00

Portfolio Data Information

Holdings are provided for informational purposes only and should not be construed as a recommendation to purchase or sell any security.

Portfolio Management

	Years with Firm	Years of Experience
Blair Schmicker, CFA	19	22
Luke Lotti, CFA	7	5

What should I know before investing?

All investments involve risks, including possible loss of principal. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. **Equity securities** are subject to price fluctuation and possible loss of principal. Securities issued by **utility companies** have been historically sensitive to interest rate changes. When interest rates fall, utility securities prices, and thus a utilities fund's share price, tend to rise; when interest rates rise, their prices generally fall. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the fund's prospectus.

Glossary

Beta: A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market. **R-squared** measures the strength of the linear relationship between the fund and its benchmark. R-squared at 1 implies perfect linear relationship and zero implies no relationship exists. **Sharpe Ratio** refers to a risk-adjusted measure calculated using standard deviation and excess returns to determine reward per unit of risk. The higher the ratio, the greater the risk-adjusted performance. **Standard Deviation:** Measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return. **Alpha** is the annualized percentage difference between a portfolio's actual returns and its expected performance given its level of market risk, as measured by beta. **Information Ratio:** In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark. **Tracking Error** measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error. **Turnover** is a measure of the fund's trading activity which represents the portion of the fund's holdings that has changed over a twelve-month period through the fiscal year end. There is no assurance that the fund will maintain its current level of turnover. **Weighted Average Market Capitalization:** A determination of a company's value, calculated by multiplying the total number of company stock shares outstanding by the price per share. For a portfolio, the value represents a weighted average based on the stocks held. **Price to Book:** The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the value represents a weighted average of the stocks it holds. **Price to Earnings (12-Month Trailing)** is the share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the value represents a weighted average of the stocks it holds.

Important Information

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The **S&P 500 Index** features 500 leading U.S. publicly traded companies, with a primary emphasis on market capitalization. The **S&P 500 Utilities Index** comprises those companies included in the S&P 500 that are classified as members of the GICS utilities sector.

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Morningstar Rating™: Source: Morningstar®, 09/30/2026. For each mutual fund and ETF with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on how a fund ranks on a Morningstar Risk-Adjusted Return measure against other funds in the same category. This measure takes into account variations in a fund's monthly performance, and does not take into account the effects of sales charges and loads, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. The fund's Advisor Class shares received a Morningstar Rating of 4, 4 and 4 star(s) for the 3-, 5- and 10-year periods, respectively. Franklin Templeton provides this fund's Morningstar Rating™ for Advisor Class shares only. Other share classes may have different Morningstar ratings. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, at www.franklintempleton.com. Please read it carefully.